State & Alternative Fuel Provider Program

Newsletter

What's New: Fall 2002 Update

Plan Now for MY 2003 Acquisitions

Now is the time to start planning for model year (MY) 2003 purchases. This year several new alternative fuel vehicles (AFVs) are available. For example, DaimlerChrysler is offering the Dodge Stratus and Chrysler Sebring sedan and convertible in flexiblefuel models (fuel providers that acquire these vehicles must operate them on E85). To see what's available for MY 2003, visit the Alternative Fuel Data Center's (AFDC) list of AFVs at www.afdc.doe.gov/ pdfs/my2003_afvs.pdf.

Covered fleets may also acquire used AFVs to satisfy their acquisition requirements. One way to do this is through the U.S. General Services Administration (GSA), which sells its used surplus AFVs to the public through regional auctions. State fleets can participate in these auctions or purchase a vehicle at a fixed price prior to auction. If you're interested in the fixed-price option, contact your



Dodge Stratus

state's purchasing division (http://contacts.gsa.gov/ contacts.nsf/contactssearch?openagent&program= state+agencies+for+surplus+property).

To learn more about buying preowned AFVs (including a link to GSA's auction information), visit www.afdc.doe.gov/afv/usedafv.shtml, or check out the Used AFV Bulletin Board on the EPAct Web site at www.ott.doe.gov/epact/progs/vwb/uvwb.cgi. There, fleets can post announcements to buy or sell preowned AFVs.

Fleet Activity

KeySpan Energy Boasts 1,300 AFVs, 1,200 Credits

KeySpan Energy's corporate policy is to acquire only dedicated, compressed natural gas (CNG) light-duty vehicles. With a fleet of more than 1,300 AFVs and banked credits totaling roughly 1,200, it's a policy the company takes seriously.

Headquartered in New York and Massachusetts, KeySpan Energy is the fifth-largest natural gas distributor in the United States - the largest in the northeast. It has 2.5 million customers and operates 25 CNG fueling stations (public with restrictions) in metropolitan New York and New England.

KeySpan's dedication to AFVs has helped many fleets meet their EPAct requirements. In 2002, the company sold approximately 300 credits to other

utility companies. Not only is KeySpan active with EPAct, it has worked with the New York State Energy Research and Development Authority and other organizations on several initiatives, including the New York City Clean Fuel Taxi Program.

KeySpan credits its successful AFV program to:

- An integrated team effort that includes fleet services; gas engineering, marketing and sales; research and development; environmental engineering; and legal, media, and government relations.
- Planned fueling infrastructure.
- Strong relationships with original equipment manufacturers.
- Driver and mechanic training programs.

Compliance Assessment Program

The State & Alternative Fuel Provider (S&FP) Program is developing a compliance assessment program in an effort to increase compliance with

Facts & Figures

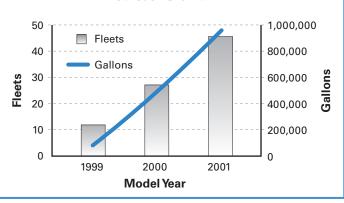
Biodiesel Use Grows in MY 2001

Biodiesel fuel use continued to grow in MY 2001, increasing 67% compared to MY 2000 reporting statistics. Covered fleets reported more than 900,000 gallons of pure biodiesel used in MY 2001 versus 560,000 gallons the previous year. The number of fleets using biodiesel also increased from 28 in MY 2000 to 46 in MY 2001, bringing the percentage of covered fleets using biodiesel to 15%.

Covered fleets can earn one credit for every 450 gallons of pure biodiesel they use. However, only blends that contain at least 20% biodiesel qualify for biodiesel credits. Some fuel suppliers use additives in combination with certain blends, so fleets should check with suppliers to make sure additives don't cause the biodiesel percentage to fall below 20%. Blends below 20% are not eligible for credits. Biodiesel credits can be used to satisfy up to 50% of AFV acquisition requirements (credits can not be rounded up to exceed the 50% threshold).

For more information on using biodiesel to meet S&FP Program requirements, download "Reporting Biodiesel Fuel Use Credits" from the EPAct Web site at www.ott.doe.gov/epact/pdfs/biodiesel_guidance.pdf.

Biodiesel Growth



the program's reporting and AFV acquisition requirements. The program will incorporate procedures already in place, such as automatic notifications to fleets that fail to file annual reports or have credit deficiencies. The program also will include self-audit guidelines for state authorities. The purpose of these procedures is to help state authorities identify potential problem areas in complying with EPAct. Once the procedures are completed, DOE will announce their availability and may hold workshops to educate state officials.

The compliance monitoring program will include guidelines for DOE to follow in determining whether it should audit individual fleets, as well as procedures to identify new fleets.

Act Now: MY 2002 Exemptions, Credits

December 31 is the deadline for fleets to submit exemption requests and purchase credits to make up for MY 2002 deficiencies. Don't risk being out of compliance. If you have questions on compliance issues, contact regulatory_info@afdc.doe.gov or 202-586-9171.

What is EPAct?

The Energy Policy Act of 1992, or EPAct, was passed by Congress to reduce the nation's dependence on imported petroleum. Provisions of EPAct require certain fleets to purchase alternative fuel vehicles. DOE administers the regulations through its State & Fuel Provider Program, Federal Fleet Program, Private & Local Government Program, and Fuel Petition Program. EPAct also includes voluntary programs, such as Clean Cities, which help accelerate the use of alternative fuels in transportation.

For more information, visit www.ott.doe.gov/epact, or call the Regulatory Information Line at (202) 586-9171.

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